

STATEMENT OF RESOLUTION  
ESTABLISHING SERIES  
ADOPTED BY BOARD OF DIRECTORS

---

(Do not write in this space)

Date Paid 4-30-76

Filing Fee \$5.00

Clerk

---

To MICHAEL J. HOWLETT,  
Secretary of State,  
Springfield, Illinois 62706

The undersigned corporation, for the purpose of establishing and designating a series of Preferred Stock and fixing and determining the relative rights and preferences of the shares of such series, and pursuant to the provisions of Section 15 of "The Business Corporation Act" of the State of Illinois, hereby executes the following statement:

1. The name of the corporation is **NORTHERN ILLINOIS GAS COMPANY.**

2. The following resolution was adopted by the Board of Directors, establishing and designating a series of Preferred Stock and fixing and determining the relative rights and preferences of the shares of such series:

RESOLVED, that pursuant to the authority expressly vested in the Board of Directors by the Company's Articles of Incorporation, there be and there hereby is established a series of the Preferred Stock, par value \$100 per share, of the Company, the designation of such series, the number of shares to be issuable therein, and certain of the terms and provisions thereof to be as follows:

I. *Designation of Series and Number of Shares to be Issuable Therein.* Such series of the Preferred Stock shall be designated 5% Preferred Stock, in which series 64,930 shares shall be issuable.

II. *Annual Rate of Dividends.* Dividends shall be payable on the shares of the 5% Preferred Stock at the rate of 5% per annum on the par value thereof, and no more.

III. *Redemption.* The shares of the 5% Preferred Stock may be called for redemption and redeemed, at the option of the Company, in whole at any time or in part from time to time, upon the notice and in the manner provided in subdivision (d) of Division I of Paragraph 2 of Article Five of the Articles of Incorporation of the Company.

The per share optional redemption prices of the shares of such series shall be \$102 plus the amount of accrued and unpaid dividends, if any, thereon to the redemption date.

The redemption price of shares of the 5% Preferred Stock redeemed through the sinking fund provided in division V hereof shall be \$101 per share plus the amount of accrued and unpaid dividends, if any, thereon to the redemption date.

IV. *Liquidation Prices.* The amount payable on each share of the 5% Preferred Stock in the event of voluntary dissolution, liquidation or winding up of the Company shall be an amount equal to the optional redemption price thereof, and no more. The amount payable on each share of such series in the event of involuntary dissolution, liquidation or winding up of the Company shall be \$100 per share plus the amount of accrued and unpaid dividends, if any, thereon to the date fixed for payment, and no more.

V. *Sinking Fund.* Subject to the provision hereinafter set forth with respect to the application of reacquired shares of the 5% Preferred Stock in lieu of the setting aside of funds, the Company shall, on or before May 1 of each year beginning with the year 1976, so long as any shares of the 5% Preferred Stock shall be outstanding, set aside as a sinking fund for such stock, separate and apart from its other funds, but only to the extent of "available net income" (as hereinafter defined) for the preceding fiscal year of the Company, and in no case otherwise than out of legally available funds, an amount sufficient to redeem on such May 1, at the sinking fund redemption price, 2,000 shares of the 5% Preferred Stock. If in any year the full amount required for such redemption of said 2,000 shares shall not be so set aside, the deficiency shall accumulate and the Company shall set aside on or before each succeeding May 1, until the deficiency is made good in full, all, or such part as may be required, of the amount, if any, by which available net income of the Company for the preceding fiscal year shall exceed the amount required for such redemption of said 2,000 shares. The amount set aside, as hereinabove provided, on or before each May 1 shall be applied to the redemption on such May 1 of the greatest number of whole shares redeemable, at the sinking fund redemption price, out of such amount, any unapplied excess to revert to the Company's general funds.

The term "available net income" as hereinabove used means, for any fiscal year, the net income of the Company for such year determined in accordance with generally accepted principles of accounting and as certified by independent public accountants, who may be the regular auditors of the Company, but after deducting from such net income an amount equal to the aggregate of the dividends payable during such year, whether or not actually paid, on all shares of Preferred Stock (regardless of series) outstanding during such year.

In lieu of all or any part of the amount otherwise required by the provisions of this division V to be set aside in any year, the Company may (i) apply any shares of the 5% Preferred Stock, not previously so applied, which it shall have acquired or shall have redeemed otherwise than through the sinking fund, and (ii) take credit for any shares of the 5% Preferred Stock of the Company's predecessor, Northern Illinois Gas Company ("NI-Gas"), not previously applied to sinking fund purposes, which NI-Gas, prior to its merger into NICOR Inc., purchased or redeemed otherwise than through the sinking fund for such NI-Gas 5% Preferred Stock, such shares of the Company or of NI-Gas, as the case may be, to be taken for the purposes of such application at the sinking fund redemption price.

VI. *Status of 5% Preferred Stock Redeemed or Purchased.* No shares of the 5% Preferred Stock redeemed, purchased or otherwise reacquired by the Company may be reissued as shares of the same series, but such shares shall have the status of authorized and unissued shares of Preferred Stock, subject to later issuance as shares of one or more other series.

WP (0-3 ) 3 3/8

3. The date of adoption of such resolution was April 20, 1976.

4. Such resolution was duly adopted by the Board of Directors.

IN WITNESS WHEREOF, the undersigned corporation has caused this statement to be executed in its name by its Chairman and President, attested by its Secretary, this 30th day of April, A. D. 1976.

NORTHERN ILLINOIS GAS COMPANY

By /s/ C. J. GAUTHIER  
Its Chairman and President

(Corporate Seal)

Attest:

/s/ J. M. QUIGLEY  
Its Secretary

STATE OF ILLINOIS }  
COUNTY OF DU PAGE } ss.

WP ( D-3 ) 3 4/8

I, E. S. Anderson, a Notary Public, do hereby certify that on the 30th day of April, A. D. 1976, personally appeared before me C. J. Gauthier, who declares he is Chairman and President of the corporation executing the foregoing document and, being first duly sworn, acknowledged that he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

/s/ E. S. ANDERSON

Notary Public

(Notarial Seal)

**FORM L.**

Box \_\_\_\_\_ File \_\_\_\_\_

**STATEMENT OF RESOLUTION  
ESTABLISHING SERIES  
ADOPTED BY THE BOARD OF DIRECTORS  
OF  
NORTHERN ILLINOIS GAS COMPANY**

**File in Duplicate**

**Filing Fee \$5.00**

**NOTE:**

This form is applicable only where the articles of incorporation expressly vest authority in the board of directors to establish series and to fix and determine the relative rights and preferences thereof. In such case series may be established and rights and preferences fixed and determined by resolution of the board of directors only to the extent provided in Section 15 of "The Business Corporation Act" and only to the extent not already established, fixed and determined by the articles of incorporation.

**STATEMENT OF RESOLUTION**  
**ESTABLISHING SERIES**  
**ADOPTED BY BOARD OF DIRECTORS**

---

(Do not write in this space)

Date Paid 4-30-76

Filing Fee \$5.00

Clerk

---

To MICHAEL J. HOWLETT,  
Secretary of State,  
Springfield, Illinois 62706

The undersigned corporation, for the purpose of establishing and designating a series of Preferred Stock and fixing and determining the relative rights and preferences of the shares of such series, and pursuant to the provisions of Section 15 of "The Business Corporation Act" of the State of Illinois, hereby executes the following statement:

1. The name of the corporation is **NORTHERN ILLINOIS GAS COMPANY.**

2. The following resolution was adopted by the Board of Directors, establishing and designating a series of Preferred Stock and fixing and determining the relative rights and preferences of the shares of such series:

RESOLVED, that pursuant to the authority expressly vested in the Board of Directors by the Company's Articles of Incorporation, there be and there hereby is established a series of the Preferred Stock, par value \$100 per share, of the Company, the designation of such series, the number of shares to be issuable therein, and certain of the terms and provisions thereof to be as follows:

I. *Designation of Series and Number of Shares to be Issuable Therein.* Such series of the Preferred Stock shall be designated 4.48% Preferred Stock, in which series 116,925 shares shall be issuable.

II. *Annual Rate of Dividends.* Dividends shall be payable on the shares of the 4.48% Preferred Stock at the rate of 4.48% per annum on the par value thereof, and no more.

III. *Redemption.* The shares of the 4.48% Preferred Stock may be called for redemption and redeemed, at the option of the Company, in whole at any time or in part from time to time, upon the notice and in the manner provided in subdivision (d) of Division I of Paragraph 2 of Article Five of the Articles of Incorporation of the Company.

The per share optional redemption prices of the shares of such series shall be \$103.24 if redeemed before May 1, 1980, and \$102.12 if redeemed on or after May 1, 1980, in each case plus the amount of accrued and unpaid dividends, if any, thereon to the redemption date.

The redemption price of shares of the 4.48% Preferred Stock redeemed through the sinking fund provided in division V shall be \$101 per share plus the amount of accrued and unpaid dividends, if any, thereon to the redemption date.

IV. *Liquidation Prices.* The amount payable on each share of the 4.48% Preferred Stock in the event of voluntary dissolution, liquidation or winding up of the Company shall be an amount equal to the optional redemption price thereof applicable at the date fixed for payment, and no more. The amount payable on each share of such series in the event of involuntary dissolution, liquidation or winding up of the Company shall be \$100 per share plus the amount of accrued and unpaid dividends, if any, thereon to the date fixed for payment, and no more.

V. *Sinking Fund.* Subject to the provision hereinafter set forth with respect to the application of reacquired shares of the 4.48% Preferred Stock in lieu of the setting aside of funds, the Company shall, on or before May 1 of each year beginning with the year 1976, so long as any shares of the 4.48% Preferred Stock shall be outstanding, set aside as a sinking fund for such stock, separate and apart from its other funds, but only to the extent of "available net income" (as hereinafter defined) for the preceding fiscal year of the Company, and in no case otherwise than out of legally available funds, an amount sufficient to redeem on such May 1, at the sinking fund redemption price, 3,000 shares of the 4.48% Preferred Stock. If in any year the full amount required for such redemption of said 3,000 shares shall not be set aside, the deficiency shall accumulate and the Company shall set aside on or before each succeeding May 1, until the deficiency is made good in full, all, or such part as may be required, of the amount, if any, by which available net income of the Company for the preceding fiscal year shall exceed the amount required for such redemption of said 3,000 shares. The amount set aside, as hereinabove provided, on or before each May 1 shall be applied to the redemption on such May 1 of the greatest number of whole shares redeemable, at the sinking fund redemption price, out of such amount, any unapplied excess to revert to the Company's general funds.

The term "available net income" as hereinabove used means, for any fiscal year, the net income of the Company for such year determined in accordance with generally accepted principles of accounting and as certified by independent public accountants, who may be regular auditors of the Company, but after deducting from such net income an amount equal to the aggregate of the dividends payable during such year, whether or not actually paid, on all shares of Preferred Stock (regardless of series) outstanding during such year.

In lieu of all or any part of the amount otherwise required by the provisions of this division V to be set aside in any year, the Company may (i) apply any shares of the 4.48% Preferred Stock, not previously so applied, which it shall have acquired or shall have redeemed otherwise than through the sinking fund, and (ii) take credit for any shares of the 4.48% Preferred Stock of the Company's predecessor, Northern Illinois Gas Company ("NI-Gas"), not previously applied to sinking fund purposes, which NI-Gas, prior to its merger into NICOR Inc., purchased or redeemed otherwise than through the sinking fund for such NI-Gas 4.48% Preferred Stock, such shares of the Company or of NI-Gas, as the case may be, to be taken for the purposes of such application at the sinking fund redemption price.

VI. *Status of 4.48% Preferred Stock Redeemed or Purchased.* No shares of the 4.48% Preferred Stock redeemed, purchased or otherwise reacquired by the Company may be reissued as shares of the same series, but such shares shall have the status of authorized and unissued shares of Preferred Stock, subject to later issuance as shares of one or more other series hereafter established.

WP ( 0-3 ) 3 7/8

3. The date of adoption of such resolution was April 20, 1976.

4. Such resolution was duly adopted by the Board of Directors.

IN WITNESS WHEREOF, the undersigned corporation has caused this statement to be executed in its name by its Chairman and President, attested by its Secretary, this 30th day of April, A. D. 1976.

NORTHERN ILLINOIS GAS COMPANY

(Corporate Seal)

By /s/ C. J. GAUTHIER  
Its Chairman and President

Attest:

/s/ J. M. QUIGLEY  
Its Secretary

STATE OF ILLINOIS }  
COUNTY OF DU PAGE } ss.

WP ( 0-3 ) 3 8/8

I, E. S. Anderson, a Notary Public, do hereby certify that on the 30th day of April, A. D. 1976, personally appeared before me C. J. Gauthier, who declares that he is Chairman and President of the corporation executing the foregoing document and, being first duly sworn, acknowledged that he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

/s/ E. S. ANDERSON

Notary Public

(Notarial Seal)

FORM L.

Box \_\_\_\_\_ File \_\_\_\_\_

STATEMENT OF RESOLUTION  
ESTABLISHING SERIES  
ADOPTED BY BOARD OF DIRECTORS  
OF  
NORTHERN ILLINOIS GAS COMPANY

File in Duplicate  
Filing Fee \$5.00

NOTE:

This form is applicable only where the articles of incorporation expressly vest authority in the Board of Directors to establish series and to fix and determine the relative rights and preferences thereof. In such case series may be established and rights and preferences fixed and determined by resolution of the Board of Directors only to the extent provided in Section 15 of "The Business Corporation Act" and only to the extent not already established, fixed and determined by the articles of incorporation.